



SENATE
MAJORITY LEADER

KEN SIKKEMA

NEWS RELEASE

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Senate Majority Leader Sikkema says governor should stop using double standard in support for insurance pooling

Governor's refusal to support pooling for school employee insurance is costing districts hundreds of millions of dollars

Lansing - Senate Majority Leader Ken Sikkema today said that while he applauds initiatives to lower auto insurance rates for Detroit residents, he is dismayed at the governor's double standard and lack of support for a similar initiative for school employees.

"The governor says you can save money on car insurance if you pool recipients and then use a competitive bidding process. She's right, and so am I when I say the same thing about health insurance for school employees," said Sikkema, R-Wyoming. "The governor's been supporting the school union that makes a profit on insurance rather than the school districts that are being choked to death by high health-insurance costs."

Senate Bills 895-898 would allow school districts to join insurance pools and seek competitive bids for school employee health insurance. The legislation would save school districts more than \$500 million in the first three years alone without any change to employee benefits.

The Senate passed the bills last December but they have languished in the House. The legislation was drafted in cooperation with the Michigan Federation of Teachers. However, the much larger Michigan Education Association is opposed to the legislation. MESSA, the insurance arm of the MEA, stands to lose money if school districts could seek competitive bids.

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